RECOMMENDATIONS OF THE TRIPARTITE CLUSTER FOR LANDSCAPE INDUSTRY ON THE PROGRESSIVE WAGE MODEL

Objective

1. This report sets out the recommendations of the Tripartite Cluster for Landscape Industry (TCL) on the Progressive Wage Model (PWM) for the landscape industry. The TCL was formed in April 2014 to develop a PWM for the landscape industry that would provide a pathway for landscape workers to progress with training and improvements in productivity and standards. The members of the TCL are listed in Annex A.

Introduction

2. Singapore has earned its reputation of "Garden City" through decades of planning, cultivation and conservation of greenery in a dense, urban city. As we now channel our efforts to create a "City in a Garden", a well-developed landscape industry will play a significant role in achieving this vision.

3. The landscape industry comprises 4 sub-sectors, namely landscape design and architecture, landscape maintenance, landscape construction and nursery work. Rank-and-file workers are mostly found in the last 3 sub-sectors. The National Parks Board (NParks), through close partnership with the industry stakeholders, has initiated a range of programmes focusing on raising skills and standards of the industry. These include:

   a) The Landscape Singapore Workforce Skills Qualifications (WSQ) - jointly developed by NParks, Singapore Workforce Development Agency (WDA) and the Singapore Landscape Industry Council in 2007, to establish occupational standards for landscape job functions and map out the skills progression pathways.

   b) The Centre for Urban Greenery and Ecology (CUGE) – jointly set up by NParks and WDA in 2007 to conduct courses for workers in the landscape industry, at the technician, supervisory and managerial levels.

c) The Landscape Company Register (LCR) – set up by NParks in 2007 to establish credibility and standards of landscaping companies to promote quality practices. As at end December 2014, 270 landscaping companies (it represents approximately 90% of the landscape companies) were registered under the LCR.

d) The Landscape Productivity Grant Scheme – established in 2013 by NParks to encourage landscape companies to purchase landscape equipment and machinery to achieve productivity improvements.

Challenges in the Landscape Industry

4. Despite the efforts outlined above, the landscape sector continues to face operational and manpower challenges such as low basic wages, low productivity, high turnover of workers and unattractive working conditions due to the laborious nature of work and exposure to the sun. The prevalence of price-based contracting, where service providers may depress wages in order to bid for contracts at the lowest price, has also made it difficult to address these challenges.

5. **Price-based Contracts** – Present procurement requirements adopt a price-biased decision making approach whereby contracts awarded by service buyers typically have higher weightage on price, than on performance and quality. In the highly competitive landscape market, companies may attempt to lower their quotes in order to win a contract. Under such conditions, price-based contracts may lead to suppression of salaries and service providers are less likely to embark on productivity improvements that could uplift service quality.

6. **Shortage of Local Manpower –** In 2014, there were only about 3,000 local landscape maintenance workers, out of a total workforce of 6,900. The landscape maintenance sub-sector is characterized by a rapidly ageing workforce. It has also been difficult to attract locals, especially younger workers, to join the industry given the sub-sector's particular characteristics highlighted below, coupled with the current tight labour market.

a. **Low Basic Wages –** Basic wages for resident landscape workers have been low. There has been little wage growth over the years, with the median basic wage of landscape workers at around $1,000 since 2009.

b. **Physically Demanding Working Conditions –** Landscaping work is generally physically demanding, requiring workers to handle soil mix, weeding, heavy lifting and be exposed to harsh weather. Hence, the majority of job seekers would rather join other industries with less strenuous working conditions.

c. **Lack of Career Progression –** Despite an established capacity development framework in the form of the WSQ Landscape Framework, there is still a perception that the landscape industry is a low-skilled and low-paying career, with limited or no opportunities for progression. This has made it less attractive for local job seekers from entering the landscape industry.

Recommendations of the TCL

Progressive Wage Model

7. In June 2012, the National Trades Union Congress (NTUC) introduced the PWM to help workers in different sectors achieve sustainable real wage increases through skills upgrading and productivity improvements. There are four components in a PWM: (1) Salary Progression, (2) Skills Upgrading, (3) Career Advancement and (4) Productivity Improvements.

8. Having a PWM for the landscape industry benefits all stakeholders. The PWM ensures that wages will commensurate with skills upgrading, career path, job responsibilities and productivity improvements. This encourages landscape workers to constantly upgrade themselves to increase productivity and earn higher wages. Through this constant upgrading, landscape companies can be assured of a higher-skilled and more productive workforce. As for service buyers, they can be assured of more professional and reliable landscaping services. Through these steps, professional standards can be established and the image of the landscape industry will be uplifted and this in turn will help attract and retain more workers in the industry.

9. In the development of the PWM for the landscape industry, the TCL has engaged industry stakeholders for their views and feedback on the issues facing the landscape industry. Aside from one-to-one engagement sessions and dialogues, the TCL conducted a focus group discussion on 25 September 2014 for landscape companies to seek feedback on the possible implementation of PWM in the sector. More than 300 companies were invited and 58 participants from 45 landscape companies participated in the discussions. These discussions have allowed the TCL to have a deeper understanding of the different nature of the work and manpower profiles of the sub-sectors, as well as the challenges faced by the companies and workers on the ground.

10. While the TCL understands that there are 3 landscape sub-sectors with rank-and-file workers, the TCL recommends the PWM apply only to the landscape maintenance sub-sector for the following reasons: –

    a. Resident workers are not attracted to landscape construction work, given that the tasks required in construction work are more physically demanding.
    b. Nursery work is mainly in-house in nature and the sub-sector does not face the issue of price-based contracting.
    c. The TCL has also assessed that a PWM for the landscape maintenance sub-sector would cover most outsourced resident landscape workers.

11. In its deliberation of the basic wage levels of the landscaping PWM, the TCL considered various factors including (1) prevailing wage paid, (2) advertised wages for landscape positions, (3) wages of workers in other laborious occupations with similar profile, (4) the expected gross wages of landscape workers had it kept pace with the national productivity growth, (5) working conditions of the landscape industry, and (6) information and inputs from landscape companies, the association, the unions, service buyers and the Government.

12. The TCL has also taken into account the National Wage Council (NWC)'s 2014/2015 guidelines in its recommendations. The TCL notes that NWC guidelines are formulated at the national level for all industries, including the landscape industry.

The TCL therefore calls upon the landscape companies and service buyers to work out ways to effectively apply future NWC guidelines relevant to the industry.

13. The TCL recommends the following PWM for the landscape maintenance sub-sector:

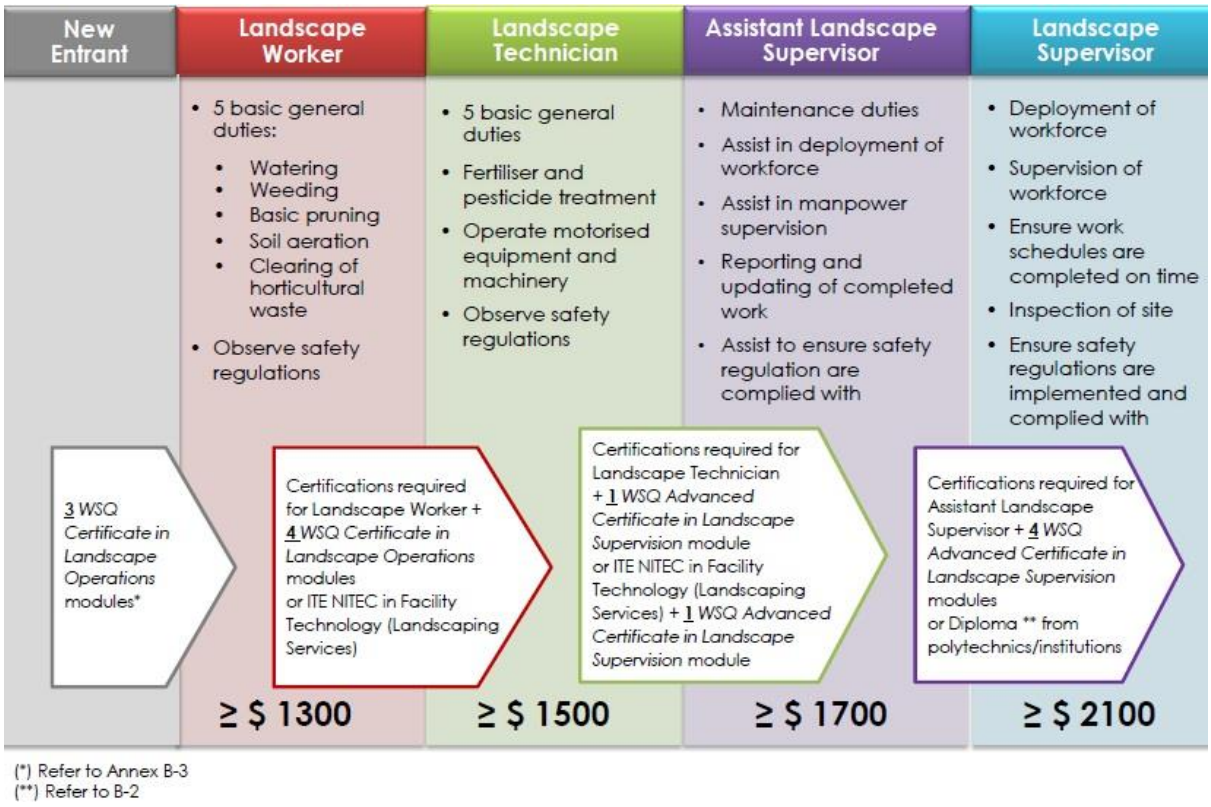

Figure 1: Progressive Wage Model for Landscape Industry

14. **Career Progression** - To provide better career progression and differentiation of the landscape workers' job responsibilities and skills, the TCL recommends the adoption of a structured career progression ladder with 4 levels as shown in Figure 1. The different levels commensurate with the level of responsibilities each landscape worker has to take on. The recommended entry-level monthly basic wage for a landscape worker is $1,300 and increases as a worker becomes better skilled, more productive and takes on higher responsibilities. The recommended Landscape WSQ modules are listed Annex B-3.

While the PWM provides a clearer career progression pathway, promotion should be considered on a case-by-case basis depending on various factors such as work performance, attitude, skills and opportunities.

15. **Workers with Relevant Working Experience –** For experienced landscape workers who are proficient and familiar with landscaping duties, their employers may apply for assessment and certification via the Assessment only Pathway (AOP) or the Composite Assessment.

16. **Minimum-Maximum (min-max) Wage Ratio** – The TCL encourages landscape companies to adopt a min-max ratio of not more than 1.5 within each level of the PWM. This min-max ratio is derived in accordance to the National Wage Council (NWC) recommendation and it serves as a tool to encourage landscape companies to move away from a seniority-based wage structure and towards a productivity-based wage structure.

17. **Coverage of PWM –** The TCL's recommended PWM wage levels are meant for outsourced full-time [1] landscape maintenance workers who are Singaporean and Singapore Permanent Residents. When employing foreigners, employers should take into account their salary as well as other items such as levy and accommodation. Employers may also use the recommended PWM as a reference for the wage levels, training and career progression of workers in the nursery and other landscape sub-sectors with rank-and-file workers.

18. **Application of PWM to Part-Time Workers –** For part-time landscape maintenance workers, the TCL suggests that employers pro-rate their basic wages based on the number of hours that the part-timer is required to work as compared to the typical contractual hours worked by a full-timer in the same job.

19. **Implementation of PWM** – To ensure that these changes are implemented consistently across the industry, the TCL recommends that the PWM for the

[1] A Full-time employee, as defined under the Employment (Part-Time Employees) Regulations, is one who is required to work for 35 hours or more a week. Conversely, a part-time employee is one who is required to work for less than 35 hours a week.

landscape industry be included in mid-2016 as a mandatory condition for companies looking to be registered under the Landscape Company Register (LCR) administered by NParks, covering resident workers deployed under both new and existing landscaping contracts. The TCL notes that the LCR registration is already a requirement for landscaping companies bidding for NParks' landscaping contracts, and is widely recognized by service buyers as a benchmark for quality landscaping service providers. NParks will work with MOM to ensure compliance with the PWM requirement in the LCR.

Performance-Based Contracts & Use of Technology

20. The TCL strongly recommends that service providers and service buyers work together to establish performance-based contracts, improve and redesign job processes, implement efficient manpower deployment and invest significantly in technology and productivity enhancements. There are several schemes in place by the Government, NPark, WDA and Devan Nair Employment and Employability Institute (e2i) to assist companies in embarking on the PWM and productivity improvements, and the TCL urges all stakeholders to make full use of these resources. Please refer to Annex D for details.

Conclusion

21. Introducing the PWM in the landscape industry is a step forward in uplifting the image of the landscape industry and professionalizing the industry. The PWM gives landscape workers a clearer pathway to career progress and will allow them to earn higher wages that will be commensurate with improved training, better skill sets, higher standards and higher productivity. The PWM also encourages landscape companies to compete based on productivity instead of price. As for service buyers, they can be assured of higher quality services. With all these steps in place, the landscape industry will be better placed to attract and retain quality manpower to meet its growing needs.

ANNEX A

MEMBERS OF THE TRIPARTITE CLUSTER FOR LANDSCAPE INDUSTRY

	Agency	**Representative**
Chair	National Trades Union Congress (NTUC)	Mr Zainal Sapari, Assistant Secretary-General
Co-Chair	Singapore National Employers Federation (SNEF)	Ms Peggy Chong, Deputy CE of Gardens by the Bay
Union	Building Construction and Timber Industries Employees' Union (BATU)	Mr Patrick Teo, General Secretary
	Employment and Employability Institute (e2i)	Mr Gilbert Tan, CEO
	Singapore Manual & Mercantile Workers' Union (SMMWU)	Mr Surash R Mukundan, Deputy Director
Employers/Service Providers	Landscape Industry Association Singapore (LIAS)	Mr John Tan, Chairman
	Mao Sheng Quanji Landscaping Design Pte Ltd	Mr Choo Kim Chuan, Managing Director
	Swee Bee Landscaping Construction Pte Ltd	Ms Sherlyn Ong, General Manager
	World Farm Company (Private) Limited	Ms Joeann Chua, Administration Manager
Service Buyers	Sentosa Development Corporation	Ms Cynthia Lee, Divisional Director, HR & Admin
	Mapletree Investments Pte Ltd	Mr Foo Say Chiang, Head, Group Property Management
	PAP Town Councils	Mr Albert Teng, General Manager of HBPTC/ Coordinating Secretary of People's Action Party (PAP) Town Councils

Government	Ministry of Manpower (MOM)	Mr Musa Fazal, Divisional Director, Income Security Policy Division
	National Parks Board (NParks)	Dr Leong Chee Chiew, Deputy CEO & Commissioner, Parks & Recreation
	Singapore Workforce Development Agency(WDA)	Ms Doris Kuek Tse Chin, Director, Healthcare, Social & Business Services Division

ANNEX B-1

RECOMMENDED TRAINING GUIDELINES FOR LANDSCAPE INDUSTRY (MAINTENANCE SUB-SECTOR)

Job Category	Training Recommendation
Landscape Worker	**3** modules from the WSQ Certificate in Landscape Operations
Landscape Technician	Certifications required for Landscape Worker + **4** modules from the WSQ Certificate in Landscape Operations OR ITE NITEC in Facility Technology (Landscaping Services)
Assistant Landscape Supervisor	Certifications required for Landscape Technician + **1** module from the WSQ Advanced Certificate in Landscape Supervision OR ITE NITEC in Facility Technology (Landscaping Services) + **1** module from the WSQ Advanced Certificate in Landscape Supervision
Landscape Supervisor	Certifications required for Assistant Landscape Supervisor + **4** modules from the WSQ Advanced Certificate in Landscape Supervision OR Landscape-related Diploma from Polytechnics and other Institutions

ANNEX B-2

LIST OF LANDSCAPE-RELATED DIPLOMAS

Institution	Course Title
Singapore Polytechnic	Diploma in Landscape Architecture
Ngee Ann Polytechnic	Diploma in Landscape Design & Horticulture
Temasek Polytechnic	Diploma in Environment Design
Nanyang Academy of Fine Arts (NAFA)	Diploma in Design (Landscape & Architecture)
Building & Construction Academy (BCA)	Diploma in Interior & Landscape Design
Workforce Skills Qualifications (WSQ)	Diploma in Landscape Management

ANNEX B-3

RECOMMENDED LANDSCAPE WSQ MODULES

Job Category	WSQ Modules
Landscape Worker	[Compulsory] Plant, mulch and maintain planted areas [Compulsory] Prune plants [Compulsory] Maintain amenity turf and open grassed spaces
Landscape Technician	Choose **4** out of 5: • Recognise plants and their growth requirements • Recognise pests, diseases, invasive and noxious plant species • Improve soil and media • Safe use and handling of non-hazardous chemicals • Perform daily checks and maintenance on machinery, tools and equipment
Assistant Landscape Supervisor	[Compulsory] Control risk and safety hazards of sector specific practices
Landscape Supervisor	Choose **4** out of 5: • Implement soil/water/plant health management programme • Maintain workplace safety and health policies and procedures • Classify plants • Identify symptoms and infestations of pest and diseases in horticultural situations • Facilitate effective work team*

(*) This module is to be taken with the Training Provider appointed by CUGE only.

ANNEX C

JOB DESCRIPTION FOR THE LANDSCAPING INDUSTRY

	Position	Job Description
1	New Entrant	Workers who just joined the industry

2	Landscape Worker	• 5 basic general duties:
		  - Watering
		  - Weeding
		  - Basic pruning
		  - Soil aeration
		  - Clearing of horticultural waste
		• Observe safety regulations

3	Landscape Technician	• 5 basic general duties • Fertiliser and pesticide treatment • Operate motorised equipment and machinery • Observe safety regulations
4	Assistant Landscape Supervisor	• Maintenance duties • Assist in deployment of workforce • Assist in manpower supervision • Reporting and updating of completed work • Assist to ensure safety regulation are complied with
5	Landscape Supervisor	• Deployment of workforce • Supervision of workforce • Ensure work schedules are completed on time • Inspection of site • Ensure safety regulations are implemented

ANNEX D

SCHEMES

1. **Progressive Wage Incentive (PWI)**

   The Progressive Wage Incentive (PWI) by e2i seeks to encourage Service Buyers to best source service contracts to Service Providers who early adopt the Progressive Wage Model (PWM). Under the PWI, Service Buyers may receive up to 10% of funding of the best-sourced contract value, capped at $150,000.

2. **Inclusive Growth Programme (IGP)**

   The Inclusive Growth Programme (IGP) by e2i is a $100-million programme to catalyze industry re-development, as well as sharing of productivity gains with local workers through higher wages. Companies may receive up to 50% funding for their technological and equipment purchase, capped at $300,000 per project.

3. **Landscape Productivity Grant Scheme**

   The Landscape Productivity Grant Scheme by NParks is to encourage landscape companies to purchase landscape equipment for the purposes of achieving productivity benefits and gain better operational efficiency when they work on projects such as landscape design, construction and maintenance. Companies which are supported for the grant will be able to defray their costs when they purchase new Equipment.

4. **Productivity and Innovation Credit (PIC)**

   In the PIC scheme dispensed under IRAS, companies are eligible to claim 400% tax deduction on the qualifying expenditure up to $400,000, as long as the companies invest in any of the six qualifying activities:

   a. Acquisition and leasing of PIC Information Technology (IT) and Automation Equipment;
   b. Training of employees;
   c. Acquisition and In-licensing of Intellectual Property Rights;
   d. Registration of patents, trademarks, designs and plant varieties;
   e. Research and development activities; and

f. Design projects approved by Design Singapore Council.

Instead of claiming for the 400% tax deduction, companies may also choose to convert up to $100,000 of the qualifying expenditure into a maximum payout of $60,000 for each year of assessment.

5. Workfare Training Scheme (WTS)

WTS encourages older lower wage Singaporeans to upgrade their skills through training so that they can improve their employability, upgrade to better jobs and earn more. As for the employer, they will be able to receive up to 95% course fee funding and absentee payroll funding[2] when they send their eligible workers[3] for any of the prescribed training by Singapore Workforce Development Agency (WDA).

6. Enterprise Training Support (ETS)

ETS scheme by WDA aims to help companies (SMEs and non-SMEs) raise their employees' productivity and skills levels, attract and retain valued employees by developing good Human Resource (HR) and management systems and practices tied to training and at the same time, help companies to benchmark compensation and benefits to market rates.

7. WorkPro

WorkPro is a scheme jointly developed by the MOM and WDA to augment local manpower, foster progressive workplaces and strengthen the Singaporean core in our workforce. The programme is designed in consultation with the tripartite partners - Singapore National Employers Federation (SNEF) and the NTUC, who will manage and administer the programme for 3 years from 1 April 2013 to 31 Mar 2016.

[2] http://www.workfare.sg/wts-employer.html
[3] Singaporean workers who are 35 years old and above and earn not more than $1,900 per month